IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE K.PADMANABHAN NAIR

MONDAY, THE 19TH FEBRUARY 2007 / 30TH MAGHA 1928

WP(C).No. 22689 of 2006(A)

PETITIONER:

DILEEP KUMAR, S/O. KUMARAN,
GURU PRIYA, EZHUKONE P.O.,
EZHUKONE, KOLLAM DISTRICT.

BY ADV. SRI.B.MOHANLAL

RESPONDENTS:

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1. JOINT REGISTRAR OF CO-OPERATIVE
SOCIETIES, COLLECTORATE, KOLLAM.

2. THE MANAGER, QUILON CO-OPERATIVE
AGRICULTURAL AND RURAL DEVELOPMENT BANK
LTD.NO.Q.167, KOTTARAKKARA BRANCH,
KOTTARAKAR P.O., KOLLAM DISTRICT.

3. SPECIAL SALE OFFICER,
QUILON CO-OPERATIVE AGRICULTURAL AND
RURAL DEVELOPMENT BANK, KOTTARAKARA BRANCH,
KOTTARAKARA P.O., KOLLAM DISTRICT.

BY SENIOR GOVERNMENT PLEADER SHRI P.K. RAVIKRISHNAN R1
BY ADV. SRI.C.UNNIKRISHNAN (KOLLAM) R2 & R3

THIS WRIT PETITION (CIVIL) HAVING BEEN FINALLY HEARD ON 19/02/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

APPENDIX

PETITIONER'S EXHIBITS:

EXHIBIT P1 THE TRUE COPY OF THE NOTICE ISSUED BY THE THIRD RESPONDENT TO THE PETITIONER.

EXHIBIT P2 THE TRUE COPY OF THE NOTIFICATION IN MALAYALA MANORAMA DAILY DATED 10.6.2006.

RESPONDENTS' EXHIBITS: NIL

K. PADMANABHAN NAIR, J.

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W.P(C). NO. 22689 OF 2006

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Dated this the 19th day of February, 2007

J U D G M E N T

Petitioner had availed a loan of Rs.5,00,000/- from the second respondent Bank. He committed default in repayment of the loan amount. Bank initiated steps for recovery of the amount due. The petitioner has filed this Writ Petition challenging that the period fixed for repayment is not yet over and as such the Bank is not entitled to recover the amount due.

2. It is not disputed that petitioner committed default in repayment of the loan. So the action of the Bank recalling the loan in lump is legal and proper. It is also to be noted that petitioner is a chronic defaulter and he did not even comply with the condition imposed by this Court on 24.8.2006. After hearing both sides, I am of the view that one more opportunity can be given to the petitioner to get some concession in repaying the loan amount even though there is laches on his side. In case petitioner deposits a sum of

Rs.75,000/- within two weeks from today and make an application seeking time to clear the arrears, the Bank shall consider it and dispose of the same in accordance with the rules. The Bank shall not realise any penal interest and only charge interest at the rate of 15% from the date of notice. The Bank shall also consider whether it is possible to give five or six instalments to the petitioner to pay off the balance of arrears.

In the result, Writ Petition is disposed of in the following manner: Petitioner is directed to deposit Rs.75,000/- before the second respondent within two weeks from today and make an application seeking time to clear the arrears. On such deposit and receipt of the application, the Bank shall consider and dispose of the same in accordance with the rules within two months. The Bank shall waive the penal interest and charge interest only at the rate of 15% from the date of notice. Bank shall also consider whether the petitioner can be allowed to deposit the arrears in five or six equal monthly instalments. The coercive steps initiated against the petitioner shall stand adjourned till the Bank takes a decision in the application to be

filed by the petitioner. In case petitioner fail to comply with the conditions ordered above, Bank is free to proceed with the recovery proceedings.

K. PADMANABHAN NAIR, JUDGE.

vsv

K. PADMANABHAN NAIR, J.

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. R.P. NO.

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O R D E R

4TH JANUARY, 2007